



Sen. William R. Haine

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09800HB2618sam002

LRB098 09390 RPM 46066 a

1 AMENDMENT TO HOUSE BILL 2618

2 AMENDMENT NO. _____. Amend House Bill 2618, AS AMENDED, by
3 replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Insurance Code is amended by
6 changing Section 805.1 as follows:

7 (215 ILCS 5/805.1)

8 Sec. 805.1. Mine Subsidence Coverage.

9 (a) Beginning January 1, 1994, every policy issued or
10 renewed insuring a residence on a direct basis shall include,
11 at a separately stated premium, residential coverage unless
12 waived in writing by the insured. Beginning January 1, 1994,
13 every policy issued or renewed insuring a commercial building
14 on a direct basis shall include at a separately stated premium,
15 commercial coverage unless waived in writing by the insured.
16 Beginning January 1, 1994, every policy issued or renewed

1 insuring a living unit on a direct basis shall include, at a
2 separately stated premium, living unit coverage unless waived
3 in writing by the insured.

4 (b) If the insured has previously waived mine subsidence
5 coverage in writing, the insurer or agent need not offer mine
6 subsidence coverage in any renewal or supplementary policy in
7 connection with a policy previously issued to such insured by
8 the same insurer, unless the insured subsequently makes a
9 written request for mine subsidence coverage.

10 (c) The premium charged for residential, commercial or
11 living unit coverage shall be the premium level set by the
12 Fund. The loss covered shall be the loss in excess of the
13 deductible or retention established by the Fund and contained
14 in a mine subsidence endorsement to the policy. For all
15 policies issued or renewed on or after January 1, 2008, the
16 reinsured loss per residence, per commercial building, and per
17 living unit shall be the amounts established by the Fund and
18 approved by the Director. For all policies issued or renewed on
19 or after January 1, 1996, the amount of reinsurance available
20 from the Fund shall not be less than \$200,000 per residence,
21 \$200,000 per commercial building, or \$15,000 per living unit.
22 The Fund may, from time to time, adjust the amount of
23 reinsurance available as long as the minimum set by this
24 Section is met.

25 (d) The residential coverage provided pursuant to this
26 Article may also cover the additional living expenses

1 reasonably and necessarily incurred by the owner of a residence
2 who has been temporarily displaced as the direct result of
3 damage to the residence caused by mine subsidence if the
4 underlying policy also covers this type of loss, provided
5 however, that the loss covered under living unit coverage shall
6 be limited to losses to improvements and betterments, and
7 reimbursement of additional living expenses and assessments
8 made against the insured on account of mine subsidence loss.

9 (e) The total amount of the loss reimbursable to an insurer
10 shall be limited to the amount of insurance reinsured by the
11 Fund in force at the time when the damage first becomes
12 reasonably observable. All damage caused by a single mine
13 subsidence event or several subsidence events which are
14 continuous shall constitute one occurrence. As set forth in
15 subsections (a) and (c) of this Section, a policy issued or
16 renewed must provide coverage, unless waived in writing by the
17 insured, and the insurer must continue to charge the premium
18 level set for that coverage by the Fund. If mine subsidence
19 coverage is in force when the mine subsidence event first
20 becomes reasonably observable, then the insurer shall notify
21 the insured making the mine subsidence claim within 60 days
22 after the Fund confirms the cause of loss is active mine
23 subsidence that continuation of that coverage thereafter may
24 not be necessary and is optional, but that continued coverage
25 shall terminate only upon written waiver by the insured.

26 (f) No insurer shall be required to offer mine subsidence

1 coverage in excess of the reinsured limits.

2 (Source: P.A. 95-92, eff. 1-1-08; 95-334, eff. 1-1-08.)".